

## Message Text

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ACTION AF-06

INFO OCT-01 EUR-12 ISO-00 AGR-05 CEA-01 CIAE-00 COME-00

EB-07 FRB-03 H-02 INR-07 INT-05 L-03 LAB-04 NSAE-00

NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-04 TAR-01

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XMB-02 SCCT-01 /111 W  
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R 030845Z SEP 75

FM AMCONSUL ASMARA

TO SECSTATE WASHDC 3537

INFO AMEMBASSY ADDIS ABABA

AMEMBASSY KHARTOUM

AMEMBASSY LONDON

AMEMBASSY MOGADISCIO

CINCUSNAVEUR LONDON

COMNAVTELCOM WASHDC

USCINCEUR VAIHINGEN

COMIDEASTFOR

NAVCOMMUNIT ASMARA

NAVCOMMSTA NEA MAKRI

CNO WASHDC

C O N F I D E N T I A L SECTION 1 OF 2 ASMARA 0748

E.O. 11652: GDS

TAGS: ECON ET

SUBJECT: ERITREAN ECONOMIC SITUATION AND PROSPECTS - 1975

REF: ASMARA 669 (DTG 071336Z AUG 75)

1. SUMMARY: IF ONE WERE TO CHOOSE A SINGLE PHRASE TO  
SUMMARIZE CURRENT ECONOMIC SITUATION IN ERITREA IT WOULD  
BE "NUMBED BY UNCERTAINTY." ERITREAN ECONOMY IS ADVERSELY  
AFFECTED BY FOLLOWING FACTORS IN DESCENDING ORDER OF  
IMPORTANCE: (A) SECURITY SITUATION WITH ALL THE RAMIFICATIONS;  
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(B) ERRATIC AND UNCLEAR ECONOMIC POLICIES OF EPMG; (C) ABSENCE

OF INCENTIVE FOR FREE ENTERPRISE INITIATIVE. WHILE STATISTICS ON ALL SECTORS ARE FEW, INDUSTRY APPEARS TO BE LEAST AFFECTED AT THIS POINT, LARGELY BECAUSE OF EXTENSIVE STOCKS OF RAW MATERIALS, BUT PRODUCTION HAS DROPPED APPRECIABLY FROM 1974. CONTINUED OPERATION OF MANY FACTORIES IS MORE RESULT OF EPMG'S DETERMINATION TO AVOID SWELLING RANKS OF UNEMPLOYED THAN ECONOMIC JUSTIFICATION. COMMERCE IS CONDUCTED HALTINGLY AS IMPORTERS ARE UNSURE OF MARKETS, AND SUPPLY OF PRODUCTS IS SUBJECT TO DELAY AND DISRUPTION. AGRICULTURE HAS BEEN SEVERELY CRIPPLED BY CESSATION OF LAND TRANSPORTATION; MANY COMMERCIAL FARMS ARE NOW VIRTUALLY ABANDONED. AGRICULTURAL EXPORTS ARE EXPECTED TO BE MINIMAL AS EXPORT AGREEMENTS WERE NOT NEGOTIATED AND FOREIGN BUYERS ARE THOUGHT TO BE SEEKING MORE RELIABLE SOURCES. WEAKEST LINK IN ECONOMIC STRUCTURE IN ERITREA IS TRANSPORTATION, WHICH IS CONTINUALLY VULNERABLE TO FRONT (ELF/PLF) INTERDICTION. EPMG RESTRICTIVE MEASURES, COMBINED WITH FRONT THREAT, HAVE REDUCED ROAD TRAFFIC TO PRECARIOUS TRICKLE. BANKING INDUSTRY IS IN GRIP OF SAME UNCERTAINTY WHICH PERVADES OTHER SECTORS. RUMORED MERGER AND/OR SPECIALIZATION OF BANKING INSTITUTIONS HAVE FURTHER IMMOBILIZED OTHERWISE TORPID FINANCIAL CLIMATE, WHICH IS FURTHER COMPOUNDED BY SERIOUS LIQUIDITY PROBLEM. LABOR PRESENTS FLICKERING LIGHT IN GENERALLY VERY BLEAK PICTURE. ECONOMIC UNCERTAINTIES RESULT IN DOCILE LABOR MOVEMENT, WHICH SEEKS TO AVOID ANNOYING EPMG AUTHORITIES. LABOR FORCE IS SKILLED AND DISCIPLINED DESPITE MANY HARDSHIPS IMPOSED ON ALL ERITREANS BY INSURGENCY/SECURITY SITUATION, YET LEGITIMATE GRIEVANCES ARE NOT BEING ADDRESSED BY SUPPOSEDLY WORKER-ORIENTED EPMG. ECONOMIC FUTURE OF ERITREA IS EXTREMELY DARK IF SOME ACCOMMODATION BETWEEN EPMG AND FRONT IS NOT REACHED. SOME ECONOMIC DAMAGE MAY BE IRREVERSIBLE FOR NEAR FUTURE, AS ONCE MARKETS ARE LOST, THEY ARE OFTEN DIFFICULT TO REGAIN. PEACE AND CHOERENT POLICY ARE ONLY SALVATION FOR OTHERWISE DISASTROUS ECONOMIC SITUATION. END SUMMARY.

2. COMMERCE AND INDUSTRY: AS REPORTED REFTTEL, STATISTICS RELATING SPECIFICALLY TO ERITREA ARE EXTREMELY DIFFICULT TO OBTAIN BOTH BECAUSE OF CENTRALIZATION OF RECORDS IN ADDIS AND RELUCTANCE OF OFFICIALS TO RELEASE FIGURES WHICH MIGHT PROVE EMBARRASSING. IN ADDITION, THOSE FEW STATISTICS AVAILABLE FOR 1975 HAVE BEEN PRESENTED IN FORM DOWN-PLAYING SIGNIFICANT

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DECLINES. FROM STATISTICS WHICH ARE AVAILABLE, HOWEVER, CYCLICAL PATTERN OF ERITREAN ECONOMY FOR 1975 CAN BE DISCERNED. JANUARY WAS ONLY RELATIVELY NORMAL MONTH IN 1975, FOLLOWED BY SHARP DECLINE IN FEBRUARY, MARCH AND APRIL, THEN IMPROVING IN MAY AND JUNE, AND SLUMPING AGAIN IN JULY AND AUGUST. BEYOND ECONOMIC DISLOCATION CAUSED BY FIGHTING AND EPMG SECURITY MEASURES, UNCERTAINTY CAUSED BY PMAC POLICIES IS MAJOR CONTRIBUTOR TO THESE VTCLES. NATIONALIZATION OF INDUSTRY, TRADE, AND COMMERCIAL

AGRICULTURE HAVE UNDERMINED VIRTUALLY ALL INITIATIVES IN PRIVATE SECTOR. URBAN LAND REFORM HAS FURTHER DAMAGED ALREADY CRIPPLED CONSTRUCTION INDUSTRY. RETAIL AND WHOLESALE TRADE HAS BEEN SEVERELY BUFFETED BY BOTH SECURITY SITUATION AND EPMG POLICIES. THOUGH STATISTICS ARE NOT AVAILABLE, LOCAL COMMERCE HAS BOTH GAINED AND LOST DURING 1975; GAINS BEING ATTRIBUTED TO SPECULATION IN COMMODITIES DUE TO LACK OF CONFIDENCE IN MONEY. SCANT STATISTICS ON INTERNATIONAL TRADE THROUGH JUNE 1975 CONFIRM ABOVE CYCLES. THESE STATISTICS, BASED ON PERMITS ISSUED BY ASMARA BRANCH OF NATIONAL BANK, INDICATE RESPECTABLE GAINS IN BOTH IMPORTS AND EXPORTS FOR JANUARY 1975 OVER JANUARY 1974. FOR MARCH, HOWEVER, IMPORTS DECLINED 17 PER CENT, WHILE EXPORTS FELL 61 PER CENT. IN JUNE, IMPORTS DECLINED 50 PER CENT AND EXPORTS DROPPED 39 PER CENT FROM JUNE, 1974. SIGNIFICANT DECLINES IN MARCH AND JUNE IMPORTS WERE IN RAW MATERIALS, MACHINERY AND FOODSTUFFS, WHILE DECLINES IN EXPORTS WERE IN MEAT, FRUITS AND VEGETABLES, GUN ARABIC (MOST OF WHICH IS SMUGGLED IN FROM SUDAN), BEANS AND PEAS. LENTILS, HOWEVER, WHICH REPRESENT ANYWHERE FROM 8 TO 45 PER CENT OF TOTAL VALUE OF EXPORTS, BEHAVED ERRATICALLY DUE TO WORLD PRICE FLUCTUATIONS. APRIL/MAY AND MAY/JUNE STATISTICS OF ACTUAL LOADING AND DISCHARGING AT PORT OF MASSAWA SHOW RECOVERY IN MAY/JUNE PERIOD, BUT CONFIRM ALMOST COMPLETE DISAPPEARANCE FROM EXPORTS OF MEAT, FRUITS AND VEGETABLES, AND GUN ARABIC, ALL OF WHICH ARE PARTICULARLY VULNERABLE TO TRANSPORTATION RESTRICTIONS RESULTING FROM FIGHTING. THOUGH INDUSTRY, WHICH CENTERS ALMOST ENTIRELY IN ASMARA, HAS SUFFERED DISRUPTIONS FROM DAMAGE TO ROADS AND ASMARA'S POWER PLANT, OF ALL SECTORS IT REMAINS MOST VIABLE. STATISTICS FROM POWER COMPANY SHOW DECREASE IN POWER CONSUMPTION IN JUNE OF ONE-THIRD FROM MONTHLY AVERAGE IN 1974, AND 68 PER CENT DECREASE JANUARY TO FEBRUARY, 1975, AS POWER STATION WAS BADLY DAMAGED IN FEBRUARY FIGHTING. INDUSTRIAL PRODUCTION HAS BEEN FURTHER HINDERED BY

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INACCESSIBILITY OF TRADITIONAL DOMESTIC MARKETS DUE TO CLOSING OF ROADS BOTH BY FRONT ACTIONS AND EPMG TRAVEL RESTRICTIONS. CURFEW IN ASMARA (AT FIRST 6:00 PM TO 6:00 AM, NOW 7:30 PM TO 5:00 AM) HAS MADE THREE-SHIFT PRODUCTION IMPOSSIBLE, YET PRODUCTION LEVELS HAVE NOT DECLINED TO DEGREE ONE MIGHT EXPECT FOR TWO REASONS: (A) EXTENSIVE STOCKS OF RAW MATERIALS AND (B) DETERMINATION OF EPMG TO MAINTAIN PRODUCTION. IN TEXTILE INDUSTRY, STOCKS OF RAW COTTON ARE SUFFICIENT FOR ABOUT TWO MONTHS PRODUCTION. SAPE, UNILEVER AFFILIATE, HAS NINE MONTHS STOCK AND MATCH FACTORY HAS SIX MONTHS STOCK. INDUSTRIAL MANAGERS ARE CONCERNED, HOWEVER, THAT STOCK WILL BECOME DEPLETED UNLESS RESUPPLY RESUMES QUICKLY. EPMG APPEARS DETERMINED TO CONTINUE PRODUCTION DESPITE LACK OF DEMAND BOTH TO MAINTAIN FACADE OF NORMALITY AND TO AVOID ADDING TO RANKS OF UNEMPLOYED.

3. AGRICULTURE AND LAND REFORM: DESPITE OPTIMUM WEATHER CONDITIONS (RAINFALL REPORTEDLY HEAVIEST IN TEN YEARS) AGRICULTURAL PRODUCTION IS EXPECTED TO SLUMP BADLY. WHILE SUBSISTANCE CULTIVATION OF CEREALS MAY FALL AS MUCH AS ONE-THIRD AS DIRECT RESULT OF DESTRUCTION FROM FIGHTING AND DISLOCATION OF FARMERS, COMMERCIAL AND EXPORT AGRICULTURE WILL LIKELY SUFFER EVEN GREATER LOSSES. PRINCIPAL DISLOCATION OF FARMERS HAS OCCURRED IN TESENEY AND OM HAJEHUAREAS ALONG SUDAN BORDER, AS MANY ERITREANS ARE NOW WORKING IN SECURITY ON COMMERCIAL FARMS ON SUDAN SIDE OF FRONTIER. COMMERCIAL AND EXPORT AGRICULTURE HAS BEEN HIT BY (A) EPMG RESTRICTION ON MOVEMENT IN AND OUT OF TOWNS, (B) CLOSURE OF INTER-CITY TRANSPORTATION BY BOTH FRONT ACTIVITY AND EPMG RESTRICTIONS, AND (C) INABILITY AND/OR UNWILLINGNESS OF COMMERCIAL FARMERS TO COME TO ASMARA TO CONCLUDE CONTRACTS FOR EXPORT OF PULSES, OILSEEDS, FRUITS AND VEGETABLES. THE TRANSPORTATION UNCERTAINTIES HAVE ALREADY AFFECTED PLANTING OF PULSES AND OILSEEDS, WHICH ARE USUALLY PLANTED IN AUGUST, AND COTTON, WHICH SHOULD HAVE BEEN PLANTED IN JUNE. BANANA PLANTATIONS IN AGORDAT AREA HAVE VIRTUALLY BEEN ABANDONED BECAUSE OF EPMG RESTRICTION ON PLANTING MORE THAN 3 KM OUTSIDE OF TOWN, AND LACK OF FUEL FOR FARM MACHINERY. OF MAJOR COMMERCIAL FARMS, BARATOLO'S COTTON PLANTATION IN TESSENNEY HAS NINE THOUSAND OUT OF TOTAL OF FIFTEEN THOUSAND HECTARES UNDER CULTIVATION, AND FRUIT AND VEGETABLE COMPLEX AT ELABERET, NEAR KEREN, IS SAID TO STILL BE IN OPERATION. SMALLER

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PRODUCERS OF COMMERCIAL AND EXPORT CROPS HAVE REPORTEDLY RETURNED TO CULTIVATION OF SUBSISTANCE CEREALS. LAND REFORM CAMPAIGN IN ERITREA HAS YET TO BEGIN IN EARNEST. DESPITE FACT THAT MUCH OF ARABLE LAND IN ERITREA IS CURRENTLY HELD IN COLLECTIVE MANNER BY VILLAGES, EPMG HAS EXPRESSED ITS DETERMINATION TO FORCE ERITREA TO CONFORM TO NATIONWIDE PROGRAM. LAND REFORM DIRECTOR FOR ERITREA MOUTHS OFFICIAL EXCUSE THAT DELAYS IN IMPLEMENTATION ARE DUE TO LACK OF TRAINED PERSONNEL, YET ADMITS THAT REAL REASON IS SECURITY SITUATION. NONETHELESS, LAND REFORM PLAN

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R 030845Z SEP 75

FM AMCONSUL ASMARA

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INFO AMEMBASSY ADDIS ABABA

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HAS BEEN DRAWN UP FOR ERITREA AND IS SLATED TO START WITH THREE HIGHLAND DISTRICTS AROUND ASMARA: AKLEGUZAI, HAMASSIEN, AND SERAE. INITIAL OBJECTIVES OF PROGRAM ARE: (A) RETURN TO VILLAGES OF GRAZING LANDS SEIZED DURING ITALIAN REIGN AND WHICH HAVE BEEN INHERITED BY DISTRICT ADMINISTRATION, (B) ABOLITION OF LAND HOLDINGS BY ABSENTEE VILLAGERS WHO ARE EMPLOYED IN TOWNS, (C) BREAKING UP 200 CONCESSIONS GRANTED PREVIOUSLY FOR COMMERCIAL FARMING, AND (D) FORMER COOPERATIVES TO OBTAIN LOANS, FERTILIZER, FARM MACHINERY, AND EVENTUALLY TO PROVIDE EDUCATIONAL AND MEDICAL SERVICES. WHILE PROGRAM CONFIDENTIAL

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APPEARS REALISTIC AND MODERATE, IT WILL OBVIOUSLY BE HELD IN ABEYANCE UNTIL SECURITY SITUATION IS RESOLVED, AND REGIONAL MILITARY AUTHORITIES SEEM INCLINED TO RESIST PRESSURE FROM ADDIS FOR IMMEDIATE IMPLEMENTATION.

4. TRANSPORTATION: AS MAY BE CONCLUDED FROM FOREGOING, TRANSPORTATION IS WEAKEST LINK IN ECONOMIC SITUATION IN ERITREA.

FRONT INTERDICTIONS, COMBINED WITH EPMG SECURITY RESTRICTIONS, MAKE LAND TRANSPORTATION RISKY AND UNCERTAIN. ON JULY 23, EPMG PROHIBITED ALL ROAD TRANSPORTATION UNLESS IN CONVOY AND BANNED ALL PRIVATE OR BUS TRAVEL BETWEEN CITIES. AT PRESENT TESSENNEY-AGORDAT-KEREN-ASMARA ROAD IS REPORTEDLY INTACT, BUT INSURGENT ACTIVITY IS SO INTENSE AS TO RENDER IT UNUSABLE. MASSAWA-ASMARA ROAD IS OPEN, BUT HAS RECENTLY BEEN SUBJECTED TO HARASSING ATTACKS FROM FRONT. ASMARA-DEKEMHARE-ADI KEYIH-ADIGRAT ROAD HAS SUFFERED DAMAGE TO SEVERAL BRIDGES AND IS CONSTANTLY VULNERABLE TO REBEL ATTACKS, THEREFORE IS LITTLE USED. ASMARA-ADI UGRI-ADWA ROAD IS INTACT, DESPITE EFFORTS AT INTERDICTION AND IS CURRENTLY ONLY FUNCTIONAL LAND LINK BETWEEN ERITREA AND SOUTH. OTHER ROADS IN REGION ARE NOT ALL-SEASON AND ARE NOT CONSIDERED VIABLE ALTERNATIVES. MASSAWA-ASMARA RAILROAD, WHICH SUFFERED CONSIDERABLE DAMAGE TO ROLLING STOCK DURING FEBRUARY-MARCH FIGHTING, WAS PUT OUT OF OPERATION AUGUST 10 WHEN FRONT BLEW VITAL BRIDGE BETWEEN DONGOLO AND BARESA. CENTER

30-METER SPAN OF 30-METER STEEL GIRDER BRIDGE WAS DROPPED INTO TEN-METER GORGE AND REPAIR WOULD TAKE TWO MONTHS UNDER NORMAL CONDITIONS. SENIOR EPMG OFFICIAL STATED THAT IN VIEW OF SECURITY SITUATION, NO EFFORT TO MAKE REPAIRS IS CURRENTLY PLANNED. AS MOST IMPORTED RAW MATERIALS ARRIVE BY RAILROAD, PROTRACTED CESSATION OF RAILROAD SERVICE COULD CAUSE TERMINAL DAMAGE TO INDUSTRIES DEPENDENT ON IMPORTED MATERIALS. AIR TRANSPORTATION WITHIN REGION HAS LARGELY RETURNED TO PREVIOUS LEVEL BUT IS SUBJECT TO MECHANICAL AND WEATHER ADVERSITIES. COASTAL AND FOREIGN SHIPPING IS CONTINUING, BUT HAS BEEN REDUCED IN PROPORTION TO DECLINE IN GENERAL ECONOMIC ACTIVITY.

5. BANKING AND INVESTMENT: SURVEY OF ALL BANK MANAGERS IN ASMARA REVEALS THAT BANKING ACTIVITY IS AT NEAR STANDSTILL AND ALL EFFORTS ARE DIRECTED AT PREVENTING FURTHER LOSSES. AS NEW INVESTMENT IS NEGLIGIBLE IN UNSTABLE ECONOMIC ENVIRONMENT, CONFIDENTIAL

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ONLY FORM OF LOANS NOW BEING OFFERED ARE SHORT-TERM LOANS ON IMPORT COMMODITIES AGAINST EXPECTATION THAT SUCH ACTIVITY WILL REVIVE. WIDESPREAD ECONOMIC AND POLITICAL UNCERTAINTY HAS CREATED LACK OF CONFIDENCE IN BANKS AND MOST ERITREANS PREFER HOLDING THEIR ASSETS IN CASH OR SUCH COMMODITIES AS JEWELRY AND GREYCLOTH (CHEAP YET VERY POPULAR CLOTH FOR CLOTHES AND BEDDING). THIS DISINCLINATION TO TRUST BANKS HAS CREATED SEVERE LIQUIDITY PROBLEMS, COMPELLING BANKS TO REQUIRE DEPOSITORS TO EXPLAIN IN DETAIL TO BANK OFFICIALS USE THEY INTEND TO MAKE OF ANY FUNDS WITHDRAWN FROM DEPOSITOR ACCOUNTS, INCLUDING CURRENT ACCOUNTS. EQUALLY AS UNSETTLING TO BANKING AS UNFAVORABLE ECONOMIC SITUATION IS UNCERTAIN FUTURE OF BANKING UNDER NEW EPMG EDICTS. NO LOCAL MANAGER COULD PREDICT FORM OF BANKING IN FUTURE, THEREFORE INTEREST IN SEEKING

INVESTORS IS NEGLIGIBLE. INSTRUCTIONS FROM ADDIS HAVE BEEN VAGUE AND UNSOUND, REDUCING BANKERS TO CONDUCTING HOLDING ACTION AWAITING CLARIFICATION OF PERSONAL AND PROFESSIONAL FUTURE.

6. LABOR AND EMPLOYMENT: ACTIVITY OF ORGANIZED LABOR IN ERITREA IS EVEN MORE SUBDUED THAN ECONOMY ITSELF. ERITREAN UNIONS, WHICH NUMBER 86 COMPARED TO 172 IN REST OF ETHIOPIA, ARE UNSURE ABOUT FUTURE ROLE, THOUGH LEADERS EXPECT NEW DIRECTIONS TO BE DEFINED AFTER CELU GENERAL ASSEMBLY MEETING IN SEPTEMBER. HAVING BEEN ASSURED BY PMAC THAT UNIONS WILL PLAY SUBSTANTIVE ROLE DESPITE NATIONALIZATION OF ENTIRE PRIVATE SECTOR, LOCAL UNION LEADERS NOW APPEAR SOMEWHAT MORE ASSURED. LABOR DISPUTES HAVE ARISEN IN RECENT MONTHS AND HAVE BEEN RESOLVED WITH MINIMAL DISRUPTION, LARGELY BECAUSE NEITHER MANAGEMENT NOR LABOR CAN AFFORD FURTHER ECONOMIC SETBACKS. WHILE WORKERS STILL HAVE LEGITIMATE GRIEVANCES IN TERMS OF WAGES, HOURS AND WORKING CONDITIONS, AS ERITREANS UNDER ETHIOPIAN MILITARY DOMINATION, UNION LEADERS AND MEMBERS ARE DISINCLINED TO PROVOKE WRATH OF EPMG WHO MAY INTERPRET THEIR EFFORTS AS ECONOMIC SABOTAGE. THIS ATTITUDE CREATES GENERALLY DOCILE LABOR FORCE WHO DISPLAY DISCIPLINE AND DEDICATION WHICH HAVE CONTRIBUTED MATERIALLY TO ONGOING INDUSTRIAL OUTPUT. AS RESULT, ERITREAN WORKERS WHO HAVE ENDURED FOOD SHORTAGES, RESTRICTIONS ON COMMUTING (BICYCLES BAN), AND CONSTANT THREAT OF VIOLENCE FROM EPMG FORCES, HAVE BEEN FAVORABLY COMPARED TO WORKERS FROM REST OF COUNTRY WHO HAVE BEEN MORE SUSCEPTIBLE TO REVOLUTIONARY ZEALOTRY. THOUGH NO FIGURES ARE AVAILABLE, CONFIDENTIAL

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UNEMPLOYMENT IS SERIOUS PROBLEM, ESPECIALLY IN CONSTRUCTION, TRANSPORTATION, AND DOMESTIC SERVICE. MUCH OF THIS UNEMPLOYMENT IS RESULT OF PHASE-DOWN OF KAGNEW STATION FROM HIGH OF 580 AMERICANS TO CURRENT 50, COMBINED WITH FLIGHT OF SEVERAL THOUSAND ITALIANS. INDUSTRIAL EMPLOYMENT IS DOWN BECAUSE OF REDUCTION OF SHIFTS FROM THREE TO TWO (BECAUSE OF CURFEW) AND CLOSING DOWN OF SMALLER FACTORIES AND WORKSHOPS.

7. FUTURE PROSPECTS: IT IS OBVIOUS THAT PRESENT ECONOMIC SITUATION IN ERITREA IS AT LOWEST POINT SINCE INTENSE FIGHTING IN FEBRUARY-MARCH. ALL OFFICIAL AND FOREIGN OBSERVERS AGREE THAT CURRENT SITUATION CANNOT CONTINUE MUCH LONGER WITHOUT RUPTURE OF BOTH ECONOMIC AND POLITICAL NATURE. DESPITE THIS GENERAL CONCURRENCE AS TO NEED FOR RESTORATION OF PEACE AND ECONOMIC STABILITY, NO ONE WILL VENTURE TO SAY HOW THIS MAY BE ACCOMPLISHED. EXPORT MARKETS FOR AGRICULTURAL PRODUCTS MAY WELL BE LOST FOR YEARS, BUT EPMG WILL OFFER NO ASSURANCE THAT COMMODITIES WILL BE ESCORTED TO MARKETS OR PORTS. CONGEN BELIEVES THAT ONE ELEMENT OF UNCERTAINTY WILL GRADUALLY DISSIPATE IN COMING MONTHS, ONCE EPMG POLICIES BECOME MORE CLEARLY DEFINED. THAT IS TO SAY, ONCE OFFICIALS AND MANAGERS HAVE SHARPER PICTURE OF EPMG DIRECTION AND ASSURANCES THAT THEIR

PERSONAL POSITIONS ARE SECURE, THEY MAY BE MORE WILLINGFZO INITIATE  
AND SUPPORT ECONOMIC RECOVERY. SUCH RECOVERY WILL OBVIOUSLY  
HINGE ON SECURITY SITUATION AND WHATEVER ACCOMMODATION MAY BE  
CONCLUDED BETWEEN EPMG AND FRONT. PEACE AND RESTORATION OF  
PROSPEROUS ECONOMY IS STATED DESIRE OF ALL LEADERS IN ECONOMIC  
SPHERE, BUT DETERMINATION AND DIRECTION TO ATTAIN THESE  
OBJECTIVES ARE DISAPPOINTINGLY ABSENT.  
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## Message Attributes

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